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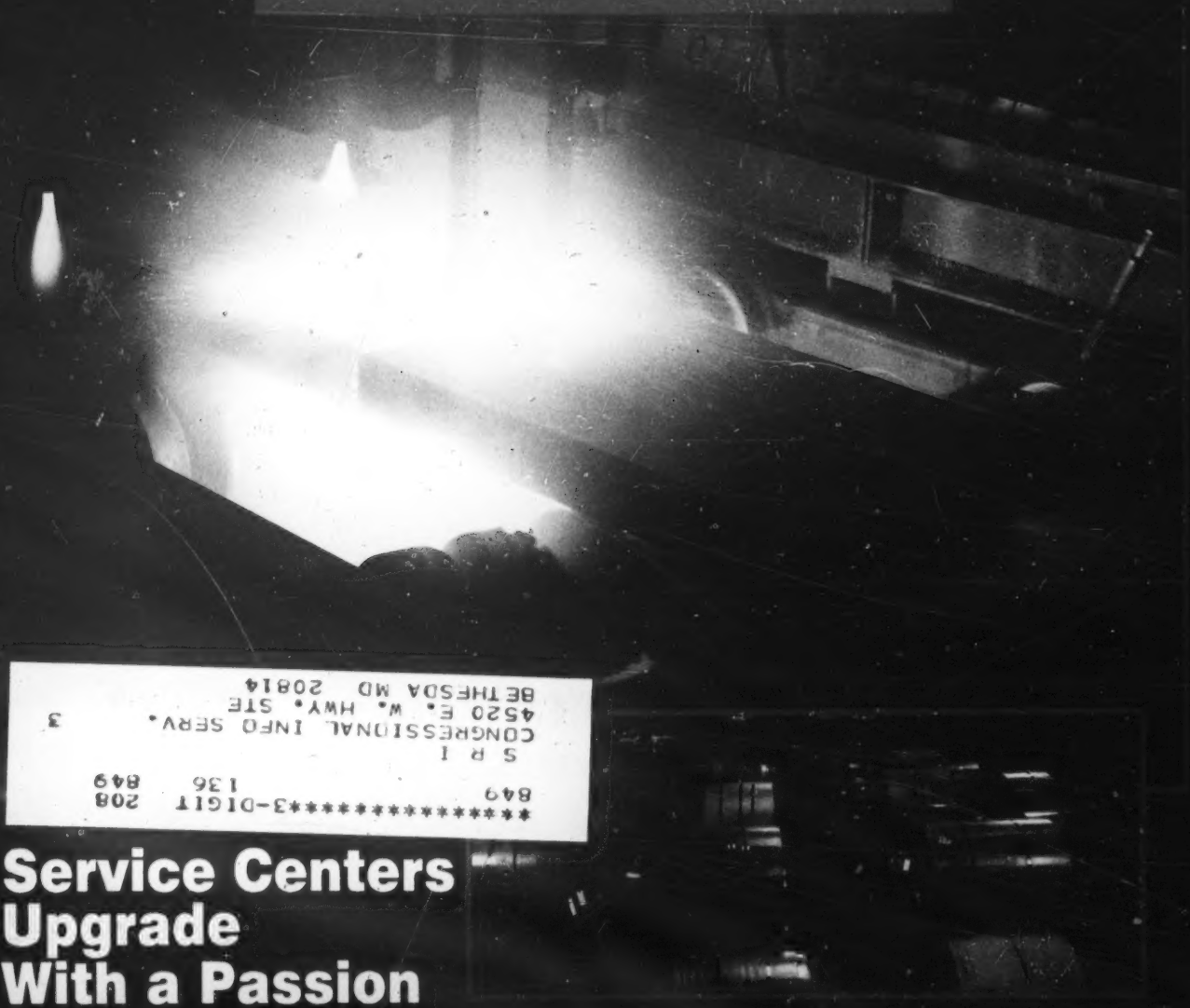
IRON AGE
MAY 1987
METALS PRODUCER

The Return to Stand Alone Steelmaking



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Service Centers Upgrade With a Passion

IRON AGE
METALS PRODUCER

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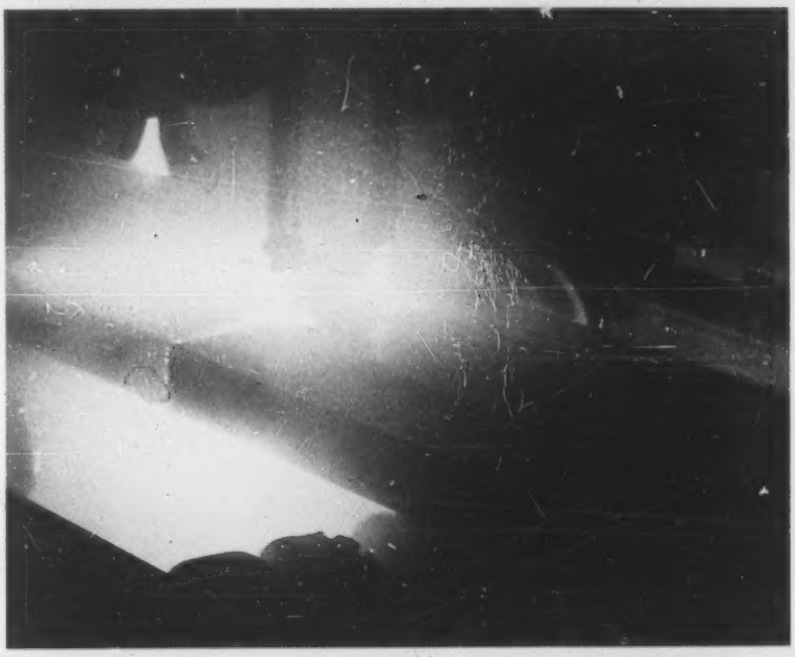

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STEEL BANKRUPTCIES EMPTY THE PENSION AGENCY'S TILL

The Pension Benefit Guaranty Corp. says it will be hard pressed to pick up the tab for industry pensions. Though Congress tripled its income last year, the Federal agency is nearly broke.

The sinking of LTV Steel Corp. into a sea of red ink will eventually cost U.S. businesses billions to shore up an obscure government agency that underwrites pension funds.

When the nation's second largest steelmaker went broke several months ago, it also sank three huge pension funds. And that action in turn dumped $2.2 billion in guaranteed pension benefits that must be paid into the lap of the Pension Benefit Guaranty Corp. (PBGC), an agency created under a 1974 Federal law.

That law, commonly known as ERISA, required the PBGC to create a special fund to pay workers whose companies had dropped their pension plans, but who were still owed pensions.

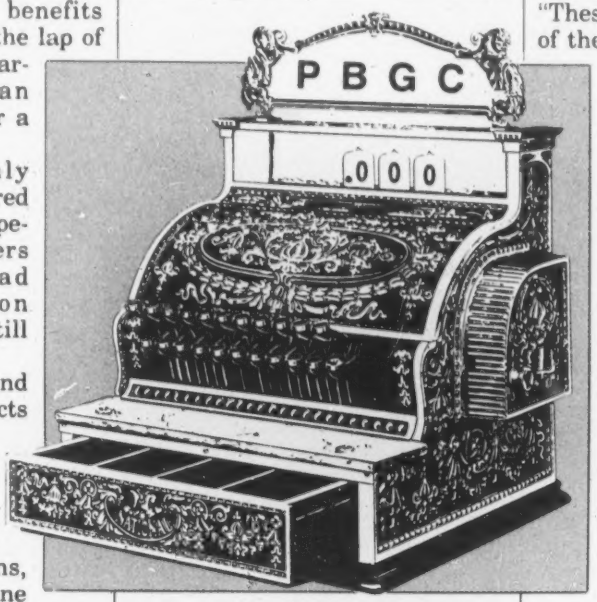
To keep that special fund solvent, the PBGC collects premiums from private companies and labor unions to meet the obligations of companies that have abandoned their pension obligations, even if they haven't gone broke. The agency estimates that close to 40 million private industry workers are protected in this way under 112,000 pension plans.

Now the agency is nearly broke, though only last year it persuaded Congress to triple its main source of income, the annual premiums it charges more than 100,000 private companies. The premiums rose from $2.60 per worker per year to $8.50.

But even before LTV dropped its pension obligations, that increase wasn't enough to shore up the agency's sagging finances.

The situation was outlined late last year by Kathleen Utgoff, the executive director of the PBGC. "If things had gone as projected two years ago (in 1984), we might have eked through," she explained. "But our problems are much worse."

She was referring to the fact that last year both Wheeling-Pittsburgh and Allis-Chalmers Corp. had gone into bankruptcy court and the LTV bankruptcy was imminent. As part of its arrangement with sponsors of troubled pension plans, the PBGC can lay claim to the assets of a company's plan to avoid having to pay benefits from the funds other employers are required to contribute.



But in reality, by the time a company goes into bankruptcy, it has used up the assets of the pension plan in a frantic effort to cut costs.

That happened in the case of LTV, Ms. Utgoff said when her agency moved in court to dissolve the three LTV pension plans. She explained to reporters, "LTV has not complied with minimum funding standards for the 1984 and 1985 plan years. Officials of the company informed the PBGC... of the company's inability to make further contributions to the pension plans."

Then she got to the main issue, "These plans have only one-third of the funding needed to pay the benefits promised to participants and retirees."

She pointed out that other steel companies have helped deplete the agency's treasury. In 1977, the pension plan of the Alan Wood Steel Co. was terminated with $41 million in underfunding.

That was followed by Continental Steel, with $61 million in underfunding; McLouth Steel with $51 million; Mesta Machine at $36 million; Phoenix Steel at $43 million; Washburn Wire with $21 million; Wheeling-Pittsburgh with a whopping $498 million; and Wisconsin Steel at $62 million in underfunded pensions.

Those steel industry plan terminations, which occurred before LTV failed, caused half of the current deficit faced by the PBGC. And, Ms. Utgoff said, LTV's addition of almost $2.3 billion to the agency's obligations caused the steel industry's terminated pension plans to make up over two-thirds of the PBGC's deficit.

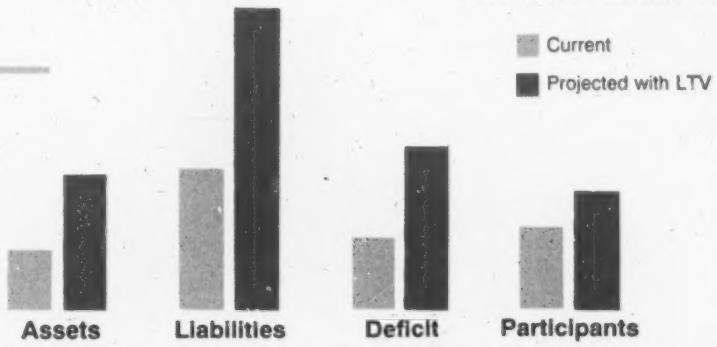
Late last year, the agency issued some gloomy predictions for its financial future in 1987, with the premium plus income from investments providing a total in-

LTV Corporation Pension Facts

Plan Name	Participants	Retirees	Assets in Trust (millions)	Estimated Present Value of Guaranteed Benefits (millions)	Estimated Underfunding (millions)
Republic Steel Retirement Plan *	7,700	3,300	$.008	$230	$230
Jones and Laughlin Retirement Plan ** (Salaried)	15,4000	7,7000	310	630	320
Pension Plan of Republic Steel ** (Hourly)	41,600	22,400	650	1,190	540
Jones and Laughlin Hourly Pension Plan **	43,900	26,000	360	1,590	1,230
Estimated Totals	**108,600**	**59,400**	**$1,320**	**$3,640**	**$ 2,320**

* PBGC appointed trustee 10/2/86.
** PBGC filed for termination date of 1/13/87

LTV Impact on PBGC



come of about $425 million. However, the agency's payments to retired workers were then assumed to be about $690 million. As of last September, Ms. Utgoff said, the pension corporation had assumed long-term liabilities for pension benefit payments of $4.6 billion—but its assets totaled only $2.2 billion. And, she added, the gap between the agency's assets and liabilities was likely to reach $4 billion by this September.

"That means," she explained, "we are $2.4 billion short of what is needed to meet the promises we have already made."

But those were only preliminary estimates, and after the LTV collapse became official, the agency went back to its books and issued an annual report last month for the year ending last Sept. 30.

For that year, its deficit had reached $3.8 billion, and its liabilities had more than doubled over the previous year to $5.6 billion while assets were at $1.8 billion.

And in that year alone, the number of persons that it is responsible for paying benefits doubled, a figure swelled by the 108,600 persons enrolled in the three collapsed LTV pension plans.

The agency also explained that company bankruptcies were depleting its funds faster than anyone could have imagined several years ago. In fiscal 1986 alone, the PBGC became the trustee of 120 terminated single employer pension programs, and a total of 1,345 single-employer plans were in trusteeship or pending trusteeship.

More importantly, the agency also made some projections about what will happen in the next few years if it doesn't get more money. Based on projections of future claims, its fund from premiums and investments would be available to pay benefits only through fiscal 1988 at the earliest or fiscal 1989 at the latest.

The agency also said that when that fund is gone, the PBGC would have to start using more of the assets it has in a special trust

fund to meet benefit obligations, with that money running out in fiscal 2003.

Ms. Utgoff told reporters, "The PBGC is running out of money. Its financial crisis poses a serious threat to the future of the pension insurance program. Retirees who depend on us are not in immediate danger, but action is needed now to secure these promises for the future."

Insurance Claims

She also noted that claims against the agency's insurance program over the past few years were much larger than those of the late 1970s. Ms. Utgoff pointed out that over the agency's first four years of operations, PBGC funds were needed to pay, on average, about 45 pct of the benefits in PBGC-trusteed pension plans. But over the last four years, she said, PBGC funds have been needed to pay, on average, about 61 pct of the benefits in significantly larger plans requiring PBGC trusteeship.

In that area, Ms. Utgoff pointed out that net dollar claims on the agency's insurance program during the past five years were also much larger than those made in earlier years. Including pending terminations, she said, average net claims for the past five years were $711 million, and for the first 12 years of the corporation's history those claims averaged $325 million.

She concluded, "The time to act is now, before we run out of money, because additional terminations of large poorly funded claims could deplete the insurance fund even sooner."

Earlier, she had said, "What we're doing is not good for the economy. We're basically propping up losers. Some companies could not survive without us. If we weren't making these automatic handouts to industry, then company pension plans wouldn't get so underfunded."

Her boss, Labor Secretary William Brock, also talked tough about industry, charging, "What's happening is that firms are declaring bankruptcy, unloading their pension liabilities on the Federal government, and then, are operating under Chapter 11 reorganization."

With that crisis as a background, the PBGC will go to Congress later this year with detailed plans for rescuing its fund. Early drafts of its proposals have been floating around Washington for several weeks.

Those documents lay out the basic strategy for convincing Congress to rescue the PBGC both in terms of short term capital and long term solvency.

The latest proposals include:

– Having employers whose vested pension benefit obligations are overfunded by at least 125 pct pay the current premium of $8.50 per plan participant. However, this premium would be indexed to the average annual increase in national wages.

– Pension programs that are less than 125 pct overfunded would pay, in addition to the $8.50 annual premium, a "funding charge" of $6 per $1,000 of underfunding per plan participant. A plan would be considered underfunded if its assets did not exceed its vested benefit obliga-

Major Steel Industry Pension Plan Terminations

Company	Date of Termination	Plan Underfunding (in millions of dollars)	Participants Total/Retired
Alan Wood	1977	41	3,400/1,100
Continental	1986	61	3,200/1,600
LTV Steel	1986-1987	2,320	108,600/50,400
McLouth	1982	51	5,500/1,400
Mesta Machine	1983	36	1,800,200
Phoenix Steel	1983	43	3,200/1,100
Washburn Wire	1976-1979	21	1,500/700
Wheeling-Pittsburgh	1985	498	21,500/10,000
Wisconsin	1980	62	4,000/1,400

Impact of Steel Industry Terminations

tions by at least 24 pct.

—The PBGC would have the authority to move the funding charge up or down by up to 50 pct every three years if claims experience proved better or worse than expected. But since claims seem to be zooming upward, that adjustment would probably follow that pattern.

—The annual premium would be capped at $100, but that limit would be indexed to 150 pct of the annual increase in national wages. As an example, if wages rose 5 pct, then the premium cap could go up by 7.5 pct.

—Employers that get pension funding waivers from the Internal Revenue Service would be hit with an additional premium surcharge. Under this proposal, the surcharge for a company that gets a waiver exempting it from making minimum pension contributions could be up to 50 pct of the funding charge. For example, a company getting a waiver and whose funding charge was $36 would also pay a funding charge of $18. Thus, the total premium, including the basic $8.50 premium, could be $62.50 for each worker in the pension plan. This funding surcharge would apply only to waivers approved after the proposal was enacted into law.

—And, importantly, the employer, rather than the pension plan itself, would be liable for paying the PBGC premium. In addition, all members of what's termed a "controlled group," rather than just the individual employer sponsoring the plan, would be liable for premium payments. As an example of how this would work, if one member of a corporate family, or "controlled group," terminated a pension plan and failed to make the required PBGC premium payments, the corporation's other units would be responsible for paying the premiums.

Considering the PBGC's deficit has soared from $462 million to over $4 billion in just one year, some experts think this type of rescue proposal might be more fair to employers than simply asking Congress to increase the yearly premium under the current flat rate system. They also project that a flat rate of $40 to $50 per year for each worker in a plan might be needed to pay off the deficit, and of course the premium could go much higher if the PBGC gets slapped with more multi-billion dollar claims.

'The financial crisis poses a serious threat to the future of the pension insurance program,' says Kathleen Utgoff, PBGC executive director.

And employers with well-funded plans resent subsidizing badly funded programs through increased premiums, and claim it's time to stop raising the PBGC premium for all plans.

Stuart Brahs, executive director of the Association of Private Pension and Welfare Plans in Washington, said, "Increasing the premium is not the answer."

There are also fears that if the premium continues to soar, employers with well-funded pension systems will simply walk away from their plans because they would feel unfairly taxed to pay for companies not willing to shell out enough to keep their pension programs healthy. As Ms. Utgoff put it, "We do not want to tax the defined benefit plan system out of existence."

She points out that a variable-rate premium would reward those companies that responsibly fund their plans through a lower PBGC premium. At the same time, it would also encourage other firms to beef up funding if their plans are inadequate.

Frank McArdle, the educational director of the Employee Benefit Research Association, explained, "Some employers will see a variable-rate premium as a more equitable way to fund the PBGC's liabilities, while creating incentives so that plans may become better funded."

Since the Reagan Administration first outlined its variable-rate proposal several months ago, several business groups have endorsed the concept.

In February, the Risk and Insurance Management Society, a trade group that serves company managers of pension plans, endorsed the variable rate concept as a way to make the companies with the highest risks on pension funds pay the highest premiums.

Last month, the National Association of Manufacturers lent its support to the variable-rate premium as a fairer way of splitting up the costs to support the PBGC.

However, Ms. Utgoff's proposals will also face some opposition from employers who are certain to question why a pension plan must be 125 pct overfunded to qualify for the low $8.50 premium.

And in political Washington any proposal—fair or not—calling for raising taxes on anyone is bound to send the politicians running for cover. Congress thought it was through with the PBGC for at least a while after it raised pension taxes last year.

As one corporate lobbyist put it, "I'm sure Ms. Utgoff's plan is fair... but no politician in his right mind wants to do anything about taxes this year or next."

Whether it takes one year or three, most observers agree on another matter: Eventually Congress will have to raise the premiums to keep the PBGC from going broke—the only question is how.

By Whitt Flora

PRICE & PRODUCTION DATA

(Effective April 6, 1987)

Steel production by districts, thousands of tons (000 omitted)

	Last Week	Two Weeks Ago	Month Ago	Year Ago
Northeast Coast	196	188	157	184
Pittsburgh	194	200	199	228
Youngstown	116	119	109	107
Lake Erie	121	135	120	142
Detroit	154	161	156	148
Chicago	453	464	314	518
Midwest	194	203	168	167
Southern	170	173	158	199
Western	52	53	45	87
U.S. Production	1,650	1,696	1,426	1,780

Source: American Iron & Steel Institute

Lake Superior Ore Prices

51.50% Fe. Natural delivered lower Lake ports unless otherwise stated. Rail transportation, handling and unloading may be charged to buyer. Coarse ore 80¢ premium.

Pellets (per iron unit natural) ..... gross-ton 58.0*
Pellets (per iron unit natural) ..... gross-ton 59.4**
Pellets (per iron unit natural) ..... gross-ton 72.45-86.9***
Mesabi, regular-unscreened ..... gross-ton 32.53
Mesabi, non-bessemer ..... gross-ton 30.03-31.53

*58.0¢—Mineral Services, Inc. as of 8/13/85. **59.4¢—Inland Steel Mining, 1/1/85 and Pickands Mather 8/1/85, delivered hold of vessel, upper Lake ports. ***72.45¢—Cleveland-Cliffs as of 12/30/86. 72.5¢—U.S. Steel as of 8/16/85. 86.9¢—Ogleba-Norton 3/25/82; Hanna *Mining 2/26/82.

STEEL PRODUCTION, COMPOSITE PRICES

(Effective April 6, 1987)

U.S. Steel Production	Last Week	Two Weeks Ago	To Date 1986	To Date 1985
Net tons, in thousands	1,650	1,696	20,460	23,799
Capability Utilization Rate	76.7	78.7	70.0	71.1

Composite Prices	This Week	Week Ago	Month Ago	Year Ago
Finished Steel Base* (¢/lb.—eff. 1/4/87)	25.236	25.236	25.236	24.607
Pig Iron** (Net ton= 2000 lbs.)	$213.00	$213.00	$213.00	$213.00
Scrap No. 1 hvy.*** (Gross ton=2240 lbs.)	$ 73.17	$ 73.50	$ 74.83	$ 73.83
No. 2 bundles	$ 49.83	$ 49.83	$ 50.50	$ 53.50

Scrap Comparison (Gross Ton)				
No. 1 steel, Pittsburgh	$ 76.50	$ 77.50	$ 79.50	$ 73.50
No. 1 steel, Philadelphia	70.50	70.50	70.50	73.50
No. 1 steel, Chicago	72.50	72.50	74.50	74.50
No. 1 bundles, Detroit	66.50	72.50	76.50	62.50
Low Phos., Youngstown	75.50	80.50	80.50	73.50
No. 1 mach'y cast., Pgh	74.50	74.50	74.50	73.50
No. 1 mach'y cast., Phila	93.50	93.50	93.50	93.50
No. 1 mach'y cast., Chi.	93.50	95.50	95.50	109.50

*Finished Steel Composite. Weighted index of steel bars, shapes, plates, wire, rails, black pipe, hot and cold rolled sheets and strips.
**Pig Iron Composite. Based on average prices for basic and foundry pig iron at representative producing points within the U.S.
***Steel Scrap Composite. Average of No. 1 hvy. melting steel scrap and No. 2 bundles delivered to consumers at Pittsburgh, Philadelphia and Chicago.

NONFERROUS PRICES

(Effective April 6, 1987) Prices obtained in trade based on representative tonnages per gross ton delivered to consumer unless otherwise stated.

Primary Metal Prices

(cents per lb.)	current price	last price	date of change
Aluminum (LME)	63.00	61.10	4/6/87
Copper (C)	67.00	68.50	4/1/87
Lead	26.00	27.00	2/2/87
Magnesium Ingot	153.00	148.00	12/9/85
Nickel (LME)	172.00	171.00	4/6/87
Zinc	47.00	44.50	10/6/86

ALUMINUM: Avg. for last week & previous week. COPPER (C)=cathode. LEAD: common grade. MAGNESIUM: 99.8% pig, delivered. NICKEL: Avg. for last week & previous week. ZINC: high grade.

Antimony, American Laredo, Texas	$2.00
Beryllium-aluminum 5% Be, per lb. contained Be	$248.00
Beryllium-copper, per lb. cont. Be	$152.00
Beryllium 97% powder 200	$196.00
Cadmium, ton lots	$1.50
Calcium, ton lots, crown	$3.92
Chromium, 99.5% electro	$4.62
Cobalt, 99%, cathode	$12.50
Gold, per troy oz.	$418.70
Indium, per troy oz.	$3.60
Iridium, per troy oz.	$405.00
Magnesium sticks, 10,000 lbs.	$2.12
Mercury, per 76-lb., f.o.b. N.Y.	$215.00-245.00
Molybdenum, lb. tech. moly oxides, 20 lb. MO can	$3.45
Palladium, per troy oz.	$127.00
Platinum, per troy oz.	$540.00
Rhodium, per troy oz.	$1,174.00
Silver ingots, per troy oz.	$6.32
Titanium sponge, melt grade	$3.40-3.55
Tungsten powder, hyd red.	$9.53-9.85
Vanadium	$6.00
Zirconium sponge	$11.20-17.00

(Per lb. unless otherwise noted)

Straits Tin Price

(U.S. cents per lb. EX-SMELTER, based on daily market in Kuala Lumpur in Malaysian dollars per kilo.)

March 30—294.00 April 2—295.00
March 31—295.00 April 3—296.00
April 1—296.00

Scrap Prices
Brass Mill Scrap

(Cents per lb., over 20,000 lbs. add 1¢ per lb.)

	Solids	Turnings
Copper	55½	50½
Yellow brass	49	48
Red brass	50	46
Comm. bronze	51½	46½
Mang. bronze	38½	37½
Free cutting rod ends	48	47

Custom Smelters Scrap

(Cents per lb., carload lots, del. refinery)

No. 1 copper wire	55
No. 2 copper wire	46
Light copper	40

Ingot Makers Scrap

(Cents per lb., carload lots, del. refinery)

No. 1 copper wire	48
No. 2 copper wire	40
Light copper	33
No. 1 composition	41
No. 1 comp. turnings	41
Hvy. yellow brass solids	29
Hvy. yellow brass turnings	23
Radiators	27

Aluminum

New mixed clips	39	— 40
Old sheet	33	— 34
Old cast	33	— 34
Clean dry borings	34	— 35

Dealers' Scrap

(Dealers' buying price f.o.b. New York in cents per pound)

Aluminum

Segregated clippings	34	— 35
Mixed U.C. clips	33	— 34
Old sheets and cast	27	— 28
Borings and turnings	23	— 24
Duraluminum clippings	27	— 28

Copper and Brass

No. 1 copper wire	44	— 47
No. 2 copper wire	35	— 36
Light copper	32	— 33
Radiators	22	— 23
No. 1 composition	36	— 37
No. 1 composition turnings	34	— 35
Cocks and faucets	30	— 31
Clean heavy yellow brass	26	— 28
Brass pipe	26	— 27
New soft brass clippings	39	— 40

Lead

Heavy soft lead	9	— 10
Whole batteries	1	— 2
Type metal	18	— 19
Electrotype	13	— 14

Nickel

Nickel solids	100	—110
Nickel rod ends	100	—110
Nickel sheets, clips	100	—110
Nickel turnings	25	— 35

Zinc

New zinc clippings	14	— 15
Old diecast zinc	10	— 11

EFFECTIVE APRIL 6, 1987

(Effective April 6, 1987) Prices obtained in trade based on representative tonnages per gross ton delivered to consumer unless otherwise stated. Prices are the opinions of Iron Age editors and correspondents, based on contacts with dealers, brokers, generators and users in the industry on the effective date listed above.

Ferrous Scrap Prices

Pittsburgh

No. 1 hvy. melting	$ 76.00 to	$ 77.00
No. 2 hvy. melting	66.00 to	67.00
No. 1 dealer bundles	93.00 to	94.00
No. 1 factory bundles (auto)	97.00 to	98.00
No. 2 bundles	45.00 to	46.00
No. 1 busheling	91.00 to	92.00
Machine shop turnings	8.00 to	9.00
Shoveling turnings	46.00 to	47.00
Cast iron borings	43.00 to	44.00
Low phos. punchings plate	99.00 to	100.00
Heavy turnings	66.00 to	67.00
No. 1 RR hvy. melting	86.00 to	87.00
Rails, 2 ft. and under	98.00 to	99.00
Scrap rails, random lgth.	86.00 to	87.00
RR specialties	97.00 to	98.00
No. 1 machinery cast	74.00 to	75.00
Cupola cast	67.00 to	68.00
Heavy breakable cast	30.00 to	31.00
Stainless		
18-8 bundles and solids	500.00 to	510.00
18-8 turnings	400.00 to	410.00

Chicago

No. 1 hvy. melting	$ 72.00 to	$ 73.00
No. 2 hvy. melting	68.00 to	69.00
No. 1 dealer bundles	87.00 to	88.00
No. 1 factory bundles (auto)	87.00 to	88.00
No. 2 dealer bundles	60.00 to	61.00
No. 1 busheling	82.00 to	83.00
Shredder scrap	79.00 to	80.00
Machine shop turnings	22.00 to	23.00
Mixed borings and turnings	15.00 to	16.00
Shoveling turnings	25.00 to	26.00
Cast iron borings	40.00 to	41.00
Low phos. forge crop	93.00 to	94.00
Low phos. punchings, plate 1/4 in. and heavier	108.00 to	109.00
Low phos. 2 ft and under	101.00 to	102.00
No. 1 RR hvy. melting	76.00 to	77.00
Scrap rails random lgth	81.00 to	82.00
Reroller rails	99.00 to	100.00
Rails, 2 ft. and under	92.00 to	93.00
RR couplers and knuckles	73.00 to	74.00
RR car axles	98.00 to	99.00
No. 1 machinery cast	93.00 to	94.00
Cupola cast	83.00 to	84.00
Stove plate	96.00 to	97.00
Steel car wheels	84.00 to	85.00
Stainless		
18-8 bundles and solids	460.00 to	470.00
18-8 turnings	350.00 to	360.00
430 bundles and solids	125.00 to	135.00
430 turnings	85.00 to	95.00

Philadelphia

No. 1 hvy. melting	$ 69.00 to	$ 72.00
No. 2 hvy. melting	61.00 to	64.00
No. 1 dealer bundles	86.00 to	89.00
No. 2 dealer bundles	42.00 to	45.00
No. 1 busheling	80.00 to	83.00
Shredder scrap	84.00 to	87.00
Machine shop turnings	24.00 to	27.00
Mixed borings and turnings	24.00 to	27.00
Shoveling turnings	39.00 to	42.00
Low phos. 5 ft and under	78.00 to	81.00
Low phos. 2 ft punchings	96.00 to	99.00
Electric furnace bundles	88.00 to	91.00
RR specialties	80.00 to	83.00
Rails, 2 ft and under	96.00 to	99.00
Cupola cast	79.00 to	82.00
Heavy breakable cast	52.00 to	55.00
No. 1 machinery cast	92.00 to	95.00

Detroit

Brokers buying prices per gross ton on cars

No. 1 hvy. melting	$ 49.00 to	$ 50.00
No. 2 hvy. melting	47.00 to	48.00
No. 1 dealer bundles	66.00 to	67.00
No. 2 bundles	33.00 to	34.00
No. 1 busheling	64.00 to	65.00
Drop forge flashings	39.00 to	40.00
Machine shop turnings	17.00 to	18.00
Mixed borings and turnings	6.00 to	7.00
Shoveling turnings	17.00 to	18.00
Cast iron borings	20.00 to	21.00
Heavy breakable cast	32.00 to	33.00
Mixed cupola cast	47.00 to	48.00
Automobile cast	71.00 to	72.00
Stainless		
18-8 bundles and solids	450.00 to	460.00
18-8 turnings	290.00 to	300.00
430 bundles and solids	115.00 to	125.00

Youngstown

Brokers buying prices per gross ton on cars

No. 1 hvy. melting	$ 60.00 to	$ 61.00
No. 2 hvy. melting	59.00 to	60.00
No. 1 dealer bundles	80.00 to	81.00
No. 2 dealer bundles	34.00 to	35.00
Machine shop turnings	15.00 to	16.00
Shoveling turnings	15.00 to	16.00
Low phos. plate	75.00 to	76.00
Electric furnace bundles	65.00 to	66.00
Galvanized bundles	62.00 to	63.00

Cleveland

Brokers buying prices per gross ton on cars

No. 1 hvy. melting	$ 56.00 to	$ 57.00
No. 2 hvy. melting	53.00 to	54.00
No. 1 dealer bundles	79.00 to	80.00
No. 1 factory bundles	79.00 to	80.00
No. 2 bundles	33.00 to	34.00
No. 1 busheling	69.00 to	70.00
Machine shop turnings	14.00 to	15.00
Shoveling turnings	18.00 to	19.00
Cast iron borings	19.00 to	20.00
Cut structural & plates, 5 ft and under	64.00 to	65.00
Cut structural & plates, 2 ft and under	89.00 to	90.00
Low phos. punchings plate	89.00 to	90.00
Foundry steel, 2 ft. & under	56.00 to	57.00
No. 1 RR hvy. melting	62.00 to	63.00
Rails, 2 ft and under	94.00 to	95.00
Rails, 18 in. and under	96.00 to	97.00
No. 1 machinery cast	83.00 to	84.00
Mixed cast	50.00 to	51.00
Stainless		
18-8 bundles	445.00 to	455.00
18-8 turnings	295.00 to	305.00
430 bundles	120.00 to	130.00

Buffalo

Brokers buying prices per gross ton on cars

No. 1 hvy. melting	$ 54.00 to	$ 55.00
No. 2 hvy. melting	44.00 to	45.00
No. 1 busheling	75.00 to	76.00
No. 1 dealer bundles	75.00 to	76.00
No. 2 bundles	29.00 to	30.00
Machine shop turnings	13.00 to	14.00
Mixed borings and turnings	13.00 to	14.00
Shoveling turnings	19.00 to	20.00
Cast iron borings	27.00 to	28.00
Low phos. plate	77.00 to	78.00
Structural and plate, 2 ft and under	79.00 to	80.00
Rails, 2 ft and under	81.00 to	82.00
Scrap rails, random lgth.	63.00 to	64.00
No. 1 machinery cast	76.00 to	77.00
No. 1 cupola cast	71.00 to	72.00

St. Louis

No. 1 hvy. melting	$ 65.00 to	$ 66.00
No. 2 hvy. melting	55.00 to	56.00
No. 1 busheling	80.00 to	81.00
No. 1 dealer bundles	82.00 to	83.00
No. 2 bundles	53.00 to	54.00
Machine shop turnings	17.00 to	18.00
Shoveling turnings	21.00 to	22.00
Cast iron borings	26.00 to	27.00
No. 1 RR hvy. melting	75.00 to	76.00
Rails, random length	76.00 to	77.00
Rails, 5 ft and under	86.00 to	87.00
RR specialties	75.00 to	76.00
Cupola cast	66.00 to	67.00
Heavy breakable cast	40.00 to	41.00
Stove plate	85.00 to	86.00
Steel car wheels	85.00 to	86.00
Rerolling rails	99.00 tc	100.00
Unstripped motor blocks	49.00 to	50.00

Birmingham

No. 1 hvy. melting	$ 72.00 to	$ 73.00
No. 2 hvy. melting	67.00 to	68.00
No. 1 dealer bundles	72.00 to	73.00
No. 2 bundles	48.00 to	49.00
No. 1 busheling	72.00 to	73.00
Shredder scrap	88.00 to	89.00
Machine shop turnings	28.00 to	29.00
Shoveling turnings	37.00 to	38.00
Cast iron borings	34.00 tc	35.00
Electric furnace bundles	68.00 to	69.00
Elec. furnace, 3 ft. & under	74.00 to	75.00
Structural and plate, 2 ft	91.00 to	92.00
Structural and plate, 4 ft	86.00 to	87.00
No. 1 RR hvy. melting	86.00 to	87.00
Scrap rails, random lgth.	77.00 to	78.00
Rails, 2 ft. and under	94.00 to	95.00
Angles and splice bars	86.00 to	87.00
No. 1 cupola cast	82.00 to	83.00
Unstripped motor blocks	74.00 to	75.00

Cincinnati

Brokers buying prices per gross ton on cars

No. 1 hvy. melting	$ 55.00 to	$ 56.00
No. 2 hvy. melting	49.00 to	50.00
No. 1 dealer bundles	75.00 to	76.00
No. 2 bundles	29.00 to	30.00
Machine shop turnings	10.00 to	11.00
Shoveling turnings	13.00 to	14.00
Cast iron borings	22.00 to	23.00
Low phos. 18 in. and under	79.00 to	80.00
Rails, random length	63.00 to	64.00
Rails, 2 ft and under	83.00 to	84.00
No. 1 cupola cast	66.00 to	67.00
Heavy breakable cast	29.00 to	30.00
Drop broken cast	71.00 to	72.00

New York

Brokers buying prices per gross ton on cars

No. 1 hvy. melting	$ 38.00 to	$ 40.00
No. 2 hvy. melting	31.00 to	32.00
No. 2 dealer bundles	20.00 to	22.00
Mixed borings and turnings	10.00 to	11.00
Machine shop turnings	4.00 to	6.00
Shoveling turnings	10.00 to	12.00
Clean cast, chem. borings	35.00 to	36.00
No. 1 machinery cast	79.00 to	80.00
Mixed yard cast	50.00 to	51.00
Heavy breakable cast	10.00 to	12.00
Stainless		
18-8 prepared solids	370.00 to	390.00
18-8 turnings	270.00 to	310.00
430 prepared solids	90.00 to	100.00
430 solids	75.00 to	85.00

Boston

Brokers buying prices per gross ton on cars

No. 1 hvy. melting	$ 49.00 to	$ 51.00
No. 2 hvy. melting	39.00 to	41.00
No. 1 dealer bundles	53.00 to	55.00
No. 2 bundles	32.00 to	34.00
No. 1 busheling	56.00 to	58.00
Shredder scrap	59.00 to	61.00
Machine shop turnings	12.00 to	14.00
Shoveling turnings	18.00 to	20.00
No. 1 machinery cast	72.00 to	77.00
Mixed cupola cast	44.00 to	46.00
Heavy breakable cast	5.00 to	10.00

San Francisco

No. 1 hvy. melting	$ 40.00 to	$ 42.00
No. 2 hvy. melting	34.00 to	36.00
No. 1 dealer bundles	31.00 to	33.00
No. 2 dealer bundles	20.00 to	21.00
Machine shop turnings	8.00 to	9.00
Cast iron borings	8.00 to	9.00
No. 1 cupola cast	80.00 to	82.00

Los Angeles

No. 1 hvy. melting	$ 34.00 to	$ 36.00
No. 2 hvy. melting	28.00 to	30.00
No. 1 dealer bundles	26.00 to	28.00
No. 2 dealer bundles	16.00 to	18.00
Machine shop turnings	7.00 to	8.00
Shoveling turnings	8.00 to	9.00
Cast iron borings	8.00 to	9.00
Elec. furnace, 1 ft. and under (foundry)	67.00 to	69.00
No. 1 cupola cast	72.00 to	74.00

Seattle

No. 1 hvy. melting	$ 60.00 to	$ 62.00
No. 2 hvy. melting	51.00 to	53.00
No. 2 bundles	35.00 to	37.00
No. 1 cupola cast	89.00 to	90.00
Mixed yard cast	80.00 to	82.00

Hamilton, Ont.

Brokers buying prices per gross ton on cars

No. 1 hvy. melting	$ 76.00
No. 2 hvy. melting, cut 2 ft. and under	66.00
No. 1 dealer bundles	86.00
No. 2 bundles	58.00
Mixed steel scrap	51.00
Bush. new fact. prep'd	86.00
Bush. new fact. unprep'd	69.00
Machine shop turnings	30.00
Short steel turnings	30.00
Mixed borings and turning	19.00
Cast scrap	90.00

Houston

Brokers buying prices per gross ton on cars

No. 1 hvy. melting	$ 62.00 to	$ 63.00
No. 2 hvy. melting	52.00 to	53.00
No. 2 bundles	33.00 to	34.00
Machine shop turnings	13.00 to	14.00
Crushed turnings	23.00 to	24.00
Shredder scrap	73.00 to	74.00
Cut structural plate, 2 ft and under	85.00 to	86.00
Cut structural plate, 5 ft and under	70.00 to	71.00
Unstripped motor blocks	52.00 to	53.00
Cupola cast	83.00 to	84.00